



Investment Office

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AGENDA ITEM 9a

TO: MEMBERS OF THE INVESTMENT COMMITTEE

- I. SUBJECT:** Consolidated Investment Activity Report
Chief Investment Officer's Report
- II. PROGRAM:** CalPERS Total Fund
- III. RECOMMENDATION:** Information
- IV. ANALYSIS:**

Attachment 1 is the Chief Investment Officer Consolidated Investment Activity Report for the period ending April 30, 2007. This report includes summary information on asset allocation, performance returns, risk management, California Investments, as well as asset class activity, and Quarterly Performance and Transaction Reports. Comprehensive and detailed source documentation is contained in the Supplemental Reporting Document which is available at: www.calpers.ca.gov (*About CalPERS>Board & Committee Meeting Calendar & Agendas*).

Attachment 2 is the Chief Investment Officer's (CIO) Report for the period ending April 30, 2007. This report includes summary information on asset allocation, performance returns, risk management, California Investments, and high level asset class activity. This report is usually presented at the Full Board Meeting, however, it is being provided so that enhancements made to this report can be discussed in detail. The enhancements to this report now more clearly provide information on the impact of any tactical and rebalancing investments, which is the result of the Investment Office's Strategic Vision and Tactical Plan to add value across asset classes, efficiently reduce risk, and generate additional returns.

Attachment 3 is an opinion letter from Wilshire in regards to the enhancements made to the CIO Report.

V. STRATEGIC PLAN:

This report assists the Board and CalPERS staff in monitoring asset allocation and fund performance in support of Goal VIII. Goal VIII: Manage the risk and volatility of assets and liabilities to ensure sufficient funds are available, first, to pay benefits and second, to minimize and stabilize contributions.

VI. RESULTS/COSTS:

The information presented in this report enables the Investment Committee to monitor the performance of the fund and the various asset classes in comparison with appropriate benchmarks in a summary format. Preparation of this report is accomplished with the assistance of a CalPERS Pension Consultant and State Street Bank.

Christian Cardeno
Investment Officer

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Division Chief

Anne Stausboll
Chief Operating Investment Officer

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Chief Investment Officer